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ALBANIA. 12 Jan.—Sentence on Albanians in Yugoslavia (*see Yugoslavia*).

17 Jan.—British Note on Corfu Channel dispute (*see Great Britain*).

ARGENTINA. 11 Jan.—It was learned that forty-five newspapers and reviews had been suppressed for failing to comply with the law obliging them to insert after the date a reference to the centenary of the liberator Gen. San Martin's death.

AUSTRALIA. 5 Jan.—Mr Spender in Jakarta (*see Indonesia*).

9 Jan.—Opening of Colombo Conference (*see Commonwealth Conference*).

13 Jan.—It was learned that a Note had been handed to the Soviet Ambassador protesting against the prolonged detention by the Soviet Government of Japanese prisoners of war.

18 Jan.—Mr Spender's statements in Delhi (*see India*).

AUSTRIA. 5 Jan.—*Refugees*. It was announced that 50,000 refugees from eastern Europe had crossed into Austria in 1949.

10 Jan.—The U.S. military authorities announced the arrest of twelve men engaged in kidnapping displaced persons on behalf of a Soviet officer.

BELGIUM. 8 Jan.—M. van Zeeland, Minister of Foreign Affairs, and Baron van der Straten Wailet, president of the Christian Social Party, returned from a one-day visit to King Leopold at Antibes.

14 Jan.—M. Spaak on Britain and Europe (*see United States*).

BOLIVIA. 14 Jan.—Following an announcement of the discovery of dangerous 'subversive activities' the Government proclaimed a state of siege.

BRITISH EAST AFRICA. 13 Jan.—It was learned that the Kenya Legislature had unanimously passed the Bill guaranteeing the joint East African railway loan, following assurances by the Government.

BRITISH GUIANA. 8 Jan.—It was learned that the Governor had informed the Legislature of the decision of the Colonial Development Corporation to proceed on large-scale timber development in the Bartica triangle.

BRITISH HONDURAS. 18 Jan.—British financial assistance (*see Great Britain*).

BRITISH WEST AFRICA. 6 Jan.—*Nigeria*. The Commission of inquiry suspended its public sittings and agreed to resume work later in the month in London.

8 Jan.—*Gold Coast*. A civil disobedience campaign—described as illegal by the Government—began in support of the demand of Mr

Nkrumah, leader of the Convention People's Party, for Dominion status and to secure the reinstatement of Government workers dismissed in November.

9 Jan.—*Nigeria*. Sir John Macpherson, the Governor, opened a conference at Ibadan, attended by fifty-three delegates from all parts of the colony to review the Constitution.

12 Jan.—*Gold Coast*. The Governor proclaimed a state of emergency, declaring that the strikes were irresponsible and that no trade dispute existed between the T.U.C. and the Government. Seven persons were arrested in Accra and thirty-six at Kumasi. Police patrols prevented pickets from intimidating strike-breakers.

17 Jan.—*Gold Coast*. Two policemen were killed in a clash with rioters in Accra. A curfew was imposed in the town.

18 Jan.—*Gold Coast*. Gangs of curfew-breakers in Accra were dispersed by the police. Some fifty arrests were made.

BULGARIA. 6 Jan.—Notes from Britain and the U.S.A., *re* violation of peace treaty (*see Great Britain*).

18 Jan.—*Government Changes*. Mr Kolarov, who had resigned with his Government on the reopening of Parliament, was re-elected Prime Minister.

BURMA. 8 Jan.—Withdrawal of British guarantee to Burmah Oil Company (*see Great Britain*).

12 Jan.—A British Parliamentary delegation arrived for a fortnight's visit.

13 Jan.—It was learned that Government troops had recaptured Loikaw, capital of Karenni State.

CANADA. 6 Jan.—Notes to Hungary and Rumania *re* violation of peace treaties (*see Great Britain*).

9 Jan.—Opening of Colombo Conference (*see Commonwealth Conference*).

10 Jan.—A Dominion-provincial conference opened in Ottawa to consider procedure for amending the Constitution. Mr St Laurent, Prime Minister, said in his opening speech that three main purposes should be considered: to complete the process of placing within Canada the power to amend the Constitution; to provide safeguards for the minority rights in the Constitution; and to establish adequate guarantees of the Federal character of the Constitution by providing for the participation of both Federal and provincial authorities in an appropriate amending procedure.

12 Jan.—The conference adjourned after approving the procedure to be followed for amending the Constitution and after setting up a standing committee representing both the Federal and the provincial Governments.

18 Jan.—*Government Changes*. Mr St Laurent announced that Mr Harris had been appointed to a new portfolio—Minister of Citizenship and Immigration.

CEYLON. 6 Jan.—*China*. It was announced that the Government had decided to recognize the Chinese Communist Government.

9 Jan.—Opening of Colombo Conference (see *Commonwealth Conference*).

CHINA. 5 Jan.—Policy statements by President Truman and Mr Acheson (see *United States*).

Dr Jessup's statement in Tokyo (see *Japan*).

Ambassador in London informed of British Government's decision to recognize Communists (see *Great Britain*).

6 Jan.—*Britain*. Mr Chou En-lai, the Minister for Foreign Affairs in the Communist Government, received a Note from the British Government announcing their decision to accord *de jure* recognition to his Government and their readiness to establish diplomatic relations 'on the basis of equality, mutual benefit, and mutual respect for territory and sovereignty'. Pending the appointment of an Ambassador Mr Hutchison, Commercial Minister in the Nanking Embassy, had been nominated *Chargé d'Affaires ad interim*. Mr Chou En-lai was also informed that recognition had been withdrawn from the Nationalist Government. Position of British consul in Formosa (see *Great Britain*).

Communist Government recognized by Norway (see *Norway*).

Communist Government recognized by Ceylon (see *Ceylon*).

It was learned that the Communist Government had sent a Note to the Indian Government accepting their offer to establish diplomatic relations and calling for discussions on the matter in Peking.

The Communist news agency reported that Mr Chou En-lai had ordered diplomats of the 'former reactionary Nationalist Government, to remain at their posts pending instructions. Disobedience would entail severe punishment.

8 Jan.—Mme Chiang's broadcast (see *United States*).

The Communist Government sent a telegram to the United Nations requesting the expulsion of Nationalist delegates from the Security Council.

9 Jan.—Communist Government recognized by Denmark and Israel (see *Denmark and Palestine*).

Blockade. The U.S. steamer, *Flying Arrow*, was shelled and set on fire by Nationalist warships while running the blockade to Shanghai.

Britain. It was learned that a Note had been sent to the British Government accepting Mr Hutchison as the British representative, 'sent to Peking for the purpose of carrying on negotiations on the question of establishing diplomatic relations'.

10 Jan.—U.N. dispute (see *U.N. Security Council*).

It was learned that following three anti-British incidents at the British Consulate at Tamsui, Formosa, the Consul had protested to the Governor and asked for a stronger guard.

11 Jan.—A Peking broadcast said that the Communists now had all the mainland under their control 'with the exception of Tibet'.

The Nationalist Defence Minister stated in Formosa that there were 100,000 regular Nationalist troops and a million guerrillas still active on

the mainland, including 10,000 of Gen. Pai's army and 20,000 of Gen. Hu's army.

12 Jan.—*Tibet*. Reports reaching Kalimpong said that a pro-Communist Tibetan Government had been set up in Chinghai province and that it had concluded a treaty with the Peking Government providing that after the 'liberation' of Tibet the Communists should exercise control over foreign affairs and communications and have sole mining rights in the country. The report added that an army of four divisions was being created and that a bank had been opened in Chinghai with a loan from the Communists of \$10 m., repayable in twenty years.

Mr Acheson's speech (see *United States*).

Blockade. Nationalist warships were reported to have made two attacks on shipping at the mouth of the Pearl river.

13 Jan.—Statement by Mr Rusk (see *United States*).

Communist shock forces were reported to have landed on Hainan Island.

Communist Government recognized by Finland (see *Finland*).

14 Jan.—*U.S.A.* U.S. consular property in Peking was seized by the Communist authorities. Certain French and Dutch diplomatic property was also seized. U.S. statement and order for withdrawal of all U.S. officials in China (see *United States*).

About 48 tons of Nationalist gold were reported to have been flown to the U.S.A. for safe keeping.

Recognition of Communist Government by Sweden (see *Sweden*).

15 Jan.—*U.S.A.* A Note protesting about the requisitioning of U.S. property was delivered to the Communist Government by the British Consul-General in Peking on behalf of the U.S. Government which had no official contact with the Communists.

British agreement to protect U.S. interests in China (see *Great Britain*).

Dr Jessup, the U.S. Ambassador-at-Large, who was visiting Formosa, met Marshal Yen Hsi-shan, the Nationalist Prime Minister.

A communiqué issued by the Nationalist Air Force said that in 6,433 sorties made in 1949, 173,000 Communist troops had been killed or wounded, and 40 'big ships' and 1,000 junks sunk or badly damaged.

16 Jan.—*U.S.A.* Dr Jessup met Gen. Chiang Kai-shek in Formosa.

Britain. The Communist Foreign Ministry received Mr Graham, the British Consul-General in Peking, who made a statement about British recognition.

17 Jan.—Representatives of officers and crews of all ships in Hong Kong belonging to the China Merchants Steam Navigation Company told the pro-Communist Federation of Labour in Hong Kong that they were joining the Communists.

18 Jan.—*U.S.A.* Dr Jessup told a press conference in Hong Kong that his mission embraced all Asia east of the Arabian Sea. After reaffirming the basic principles of U.S. policy, including support for the equality, independence, and integrity of China, he emphasized U.S. interest in the independence of Asian countries and said that U.S. help

CHINA (*continued*)

to the people of Asia depended mainly on 'the degree to which they were prepared to support Governments of their choosing in opposition to Communist tyranny'. He refuted suggestions that differing attitudes on the recognition of Peking implied a rift in the firm co-operation between the U.K. and other free nations and the U.S.A.

Statement by Mr Acheson (*see United States*).

U.S. proceedings to recover ships sold to Nationalist Government (*see United States*).

It was learned that several banking concerns in Hong Kong had placed themselves under the orders of the Peking Government.

U.N. The Communist Government notified U.N. headquarters that it had appointed its own chief delegate to the U.N. and the Security Council.

COMMONWEALTH CONFERENCE. 9 Jan.—The conference of Commonwealth Foreign Ministers opened in Colombo. The Ministers taking part were: U.K., Mr Bevin and Mr Noel-Baker; Canada, Mr Pearson, Secretary of State for External Affairs, and Mr Mayhew, Minister of Fisheries; Australia, Mr Spender, Minister for External Affairs; New Zealand, Mr Doidge, Minister for External Affairs; South Africa, Mr Sauer, Minister of Transport; India, Mr Nehru and Mr Giri, High Commissioner in Ceylon; Pakistan, Mr Ghulam Mohammed, Finance Minister; Ceylon, Mr Senanayake, Dr Rajapakse, Minister of Justice, and Mr Jayawardene, Finance Minister. Southern Rhodesia was associated through official observers with the financial and economic discussions. Mr Senanayake was appointed chairman.

14 Jan.—The conference ended. A communiqué was issued stating that the discussions 'have once again demonstrated that among all members of the Commonwealth there is a continuing and substantial community of outlook in their approach to current problems of foreign affairs. Eleven plenary meetings have been held since the conference opened on 9 January. The greater part of this time has been spent in a comprehensive review of the current problems of south-east Asia, both political and economic. It was recognized that, in the changing conditions brought about by recent developments in this area, progress depends mainly on the improvement of economic conditions. The conference was impressed by the magnitude of the contribution which the success of progressive policies in this area could make to the peace and prosperity of the world. Executive decisions are not taken at Commonwealth meetings of this kind but, as a result of the valuable exchange of views which has taken place, recommendations for the furtherance of economic development in south and south-east Asia will be submitted to the Commonwealth Governments for their consideration. These recommendations include a proposal for the establishment of a consultative committee representing the Commonwealth Governments. The Australian delegation proposed that the first meeting of this committee, when set up, should be held in Australia.

'In the course of their discussions the Commonwealth Ministers

noted with satisfaction the political settlement recently reached in Indonesia. They also gave particular attention to the situations in Indo-China, Burma, and Malaya. The conference also reviewed the current position in the Far East. They discussed both the question of recognition of the new régime in China and also the future relations of Commonwealth countries with China. They reconsidered in the light of subsequent developments the provisional conclusions reached at the Commonwealth conference held in Canberra in 1947 on the conditions for a peace settlement with Japan. On this subject, the Ministers attending the conference will submit recommendations to their Governments.

'Finally, the conference were informed of the current political situation in Europe and the Middle East and of steps which were being taken to promote closer co-operation, both political and economic, among the countries of western Europe, and between them and the United States of America and Canada. The conference agreed that there need be no inconsistency between the policy followed by the United Kingdom Government in relation to western Europe and the maintenance of the traditional links between the United Kingdom and the rest of the Commonwealth.

'Commonwealth officials concerned with economic affairs have held a separate series of meetings throughout the week. Their primary purpose has been to exchange information on developments since the Commonwealth Finance Ministers met in London in July. These meetings have afforded a valuable opportunity for a joint survey of the sterling area's current and prospective balance of payments position and for the discussion of economic problems that face the Commonwealth. Particular attention was given to the recent trend of, and future prospects for dollar exports of the sterling area.'

15 Jan.—Pandit Nehru's statement (*see India*).

16 Jan.—Mr Bevin told a press conference in Colombo that since the end of the war Britain had paid to the Asian countries about £750 m. in loans, grants, releases from sterling balances, and unrequited exports. This was roughly half of the total sum which the U.K. had paid out since the war throughout the world in unrequited exports and in help of all kinds. Britain was now unable to carry the load alone. The conference had made a great step forward in working out the plan proposed by the Australian and Ceylonese delegations for technical aid to all countries willing to join in a mutual self-help scheme. The problem in Asia was not merely to satisfy the just claims to nationalism but to bring about sound economic developments.

CONFERENCE ON TECHNICAL CO-OPERATION IN AFRICA.

11 Jan.—A committee for technical co-operation in Africa, composed of delegates from France, Belgium, Britain, Portugal, South Africa, and Southern Rhodesia, met in Paris.

14 Jan.—The conference ended after the delegates had agreed to recommend to their Governments the establishment of a 'Committee for Technical Co-operation in Africa south of the Sahara'.

COUNCIL OF EUROPE. 10 Jan.—Representatives of the Committee of Ministers met in Paris.

COUNCIL OF FOREIGN MINISTERS. 9 Jan.—*Austrian Treaty*. The deputies resumed discussions in London. Mr Zarubin (U.S.S.R.) announced that the direct Soviet-Austrian negotiations on Austria's payment for post-war supplies and services by the U.S.S.R. had not been concluded.

13 Jan.—*Austrian Treaty*. Mr Zarubin told the western delegates that it was impossible to give a date for the conclusion of the Soviet-Austrian negotiations. The Soviet experts were still working on the Austrian proposals of 5 December.

18 Jan.—*Austrian Treaty*. Joint *démarche* by western Ambassadors in Moscow (see U.S.S.R.).

CYPRUS. 10 Jan.—About 450 British troops arrived from Greece.

15 Jan.—An unofficial plebiscite was held on union with Greece. It was organized by the Orthodox Church.

CZECHOSLOVAKIA. 6 Jan.—It was learned that four representatives of the western press had been ordered to leave the country.

Yugoslavia. It was announced that a Note had been sent to the Yugoslav Government protesting against their failure to carry out the terms of the agreement of 13 November 1948, under which members of the Czechoslovak minority living in Yugoslavia were to be allowed to return home if they wished.

9 Jan.—Trade agreement with eastern Germany (see *Germany*).

Reports reaching London said that Mr Loeb, former deputy Minister of Foreign Trade, and Dr Margolius, Vice-Minister of Foreign Trade, had been executed.

10 Jan.—The Government banned the sale of all books published before the end of the war and those not bearing a date of publication.

The Government ordered the expulsion of the I.R.O. mission—the last in Eastern Europe.

15 Jan.—It was announced that industrial production was now 97 per cent State-owned.

DENMARK. 9 Jan.—*China*. It was announced that the Government had decided to recognize the Chinese Communist Government.

16 Jan.—Anglo-Scandinavian economic talks (see *Great Britain*).

EGYPT. 9 Jan.—*Syria*. It was learned that Col. Chickekli, leader of the Syrian military *coup* of 19 December had arrived in Cairo accompanied by Col. Karim and Col. Shukri of the Syrian General Staff. A statement issued by the Syrian Legation said that the primary object of the visit was military. Another purpose was to reiterate Syrian support for a strong collective security pact for all Arab Nations.

Palestine. The Foreign Ministry announced that the Israeli-Egyptian Rhodes armistice (signed on 24 February 1949 for one year) would

'remain operative until the whole question of Palestine is finally settled'.

10 Jan.—*Elections*. A second ballot was held in the undecided constituencies. The final state of the parties was: Wafd, 225 seats; Saadists, 28; Liberals, 26; Independents, 33; Nationalists, 6; Socialists, 1.

Two people were killed in a gun fight between supporters of the Wafdist and Liberal parties in the Assiut province.

12 Jan.—*Government Changes*. The new Government was formed as follows: Prime Minister, Mustafa an-Nahhas; Foreign Affairs, Mohammed Salah ud-Din; Public Works, Osman Muharram; Interior, Fuad Sirag ud-Din; Finance, Zaki Abd ul-Mut'al; Education, Taha Husain; War and Marine, Mustafa Nusrat; Communications, Zaki al Arabi; Justice, Abd ul-Fattah at-Tawil; Commerce and Industry, Mahmud Sulaiman Ghannam; Supply, Mohammed Mursi Farhat; Agriculture, Ahmed Hamza; National Economy, Mohammed al-Wakil; Public Health, Abd ul-Latif Mahmud; Social Affairs, Ahmed Husain; Municipal and Village Affairs, Ibrahim Farag Masiha; Religious Foundations, Yasin Ahmed; Minister of State, Hamid Zaki.

14 Jan.—The Cabinet abolished the press censorship.

16 Jan.—King Farouk opened Parliament. The speech from the Throne which was read by Nahhas Pasha, said that the Government promised to do everything possible to hasten the evacuation of both parts of 'our valley, Egypt and the Sudan' and to protect its unity under the Crown against any aggression. Support was promised to the United Nations and the Arab League. The Government had decided to abolish martial law and numbers of political *détenus* were being freed in order to ensure co-operation and confidence within the nation. Primary, secondary, and technical education would be free forthwith and efforts would be made to reduce the cost of living. Irrigation and social works and industrial projects would be developed and the Army would be strengthened.

17 Jan.—Admiral Mountbatten arrived at Alexandria in his flagship on a four-day visit.

18 Jan.—*Censorship*. Dr Hamid Zaki was reported to have told the press that as a 'defensive' measure incoming and outgoing telegrams would continue to be censored. The object was not to establish a disguised censorship but to prevent the publication of anything harmful to the country.

ERITREA. 12 Jan.—A British destroyer arrived at Massawa.

14 Jan.—An Italian woman was killed and seven persons wounded by Eritrean youths in riots which broke out in Asmara and Decamere.

15 Jan.—The British authorities imposed a curfew in the two towns.

FINLAND. 8 Jan.—*U.S.S.R.* It was learned that a number of the people whose extradition the U.S.S.R. had requested for alleged war crimes had been arrested. Many had been released after interrogation. One had committed suicide. (Most of the 300 were former refugees from Ingermanland.)

10 Jan.—*U.S.S.R.* The Ministry of the Interior circulated a list of

FINLAND (*continued*)

fifty-six people whom the U.S.S.R. had described as 'guilty of particularly grave crimes against the U.S.S.R.'

13 *Jan.*—*China.* The Government recognized the Chinese Communist Government.

14 *Jan.*—Trade agreement with Portugal (*see Portugal*).

16 *Jan.*—*Elections.* The first stage of the Presidential election began in a two-day poll for the 300 members of the Electoral College.

17 *Jan.*—*Elections.* The results were:—Conservatives, 40 members; Liberals, 31; Swedish Party, 24; Progressives, 12; Social Democrats, 65; Agrarians, 62; People's Democrats (Communists and extreme left-wing Socialists), 66. (About 58 per cent of the electorate went to the polls.)

FRANCE. 5 *Jan.*—*Wages and Prices.* The National Assembly adopted the Bill on collective bargaining by 331 votes to 185. It was amended so as to make arbitration voluntary, not obligatory, though the submission of disputes to a conciliator remain obligatory. It provided that the question of a basic minimum wage would later be fixed by decree.

10 *Jan.*—*Strikes.* The C.G.T. seamen's union called a forty-eight hours' strike in Marseilles in an attempt to prevent the despatch of troops to Indo-China. Ten policemen were later injured in Communist demonstrations.

11 *Jan.*—*Wages and Prices.* The Council of Ministers decided to grant a 3,000 franc bonus to minor Civil Servants and agricultural workers who had not benefited in November. The Ministers also approved a letter to the Socialist Parliamentary group opposing the general re-granting of a bonus but promising to try to secure an early vote on collective bargaining.

12 *Jan.*—*Poland.* Eighteen Poles were expelled out of a total of fifty who had been detained for questioning following police investigations in Paris and the north. The Ministry of the Interior announced that the dissolution of nine Polish organizations whose offices were searched on 24 November had been ordered owing to subversive activities. Polish Note (*see Poland*).

13 *Jan.*—M. Schuman in Germany (*see Germany*).

Poland. Seventeen more Poles were expelled. Closure of French Institute in Warsaw and further arrests (*see Poland*).

14 *Jan.*—Seizure of French property in Peking (*see China*).

15 *Jan.*—M. Schuman on the Saar (*see Germany*).

Foreign Trade. It was learned that the adverse balance on foreign trade in 1949 was 139,722 m. francs compared with 238,626 m. in 1948.

16 *Jan.*—Polish Note and further expulsions from Poland (*see Poland*).

17 *Jan.*—*Leakage of Information.* The Assembly decided to set up a committee to inquire into allegations about a leakage of information contained in a report by Gen. Revers, formerly Chief of the Army General Staff, on the situation in Indo-China. Gen. Revers and Gen. Mast, another senior officer, were said to have been working to secure the unification of the military command and the High Commissionership in Indo-China and to bestow the combined posts on Gen. Mast.

M. Schuman returned from Germany.

18 Jan.—*Saar*. M. Schuman reported to the Council of Ministers on his visit to Germany. A Foreign Ministry spokesman later reaffirmed to the press that all arrangements made now with the Saar were subject to the peace treaty. French interest in the Saar was primarily an economic aspect of security. The combined coal production of France and the Saar would be about two-thirds that of western Germany; if the Saar was reunited with Germany the coal production of the two combined would be more than twice that of France. The political separation of the Saar from Germany was the logical consequence of economic separation. The position of the French in the Saar had hitherto been based partly on the rights of an occupying Power. The forthcoming negotiations were intended to modify both the powers of the French High Commissioner and of the various French economic administrative organs and thus to create conditions providing a more permanent basis for co-operation. The Government could only consider a plebiscite if it were requested by the Saar Government or by the peace conference.

FRANCO-GERMAN CONFERENCE. 6 Jan.—A Franco-German parliamentary conference opened in Basle with the object of finding ground for an economic and political *entente* within the framework of a united Europe.

GERMANY. 5 Jan.—*Coal*. The High Commission approved the revised coal prices submitted by the Germans which provided for a reduction in the differences between internal and export rates.

Eastern Germany. The Government issued an appeal to the workers in the Ruhr, signed by President Pieck, and Herr Grotewohl. It declared that the Ruhr was, and would remain, German and attacked Dr Adenauer for agreeing to west German membership of the Ruhr Authority.

Ruhr. A meeting of the International Ruhr Authority opened in Dusseldorf.

6 Jan.—*Prisoners of War*. The Information Department of the east German Government announced that the repatriation of prisoners from the U.S.S.R. would be completed 'within the next few days' except for those undergoing punishment.

8 Jan.—*Eastern Germany*. It was announced that the People's Congress movement had been transformed into the National Front.

Western Germany. Max Reimann, the Communist leader, speaking in Essen, repeated the charge for which he had been imprisoned in 1949, that Dr Adenauer and his followers were quislings.

Herr Kaiser, the Federal Minister for All-German Questions conferred in Bonn with Dr Dibelius, Bishop of Berlin and Brandenburg and chairman of the Council of the Evangelical Church in Germany.

9 Jan.—*Western Germany*. M. François-Poncet, the French High Commissioner, held discussions at Königswinter with Dr Dibelius, Dr Niemöller, head of the Church in Hesse, and other Church leaders.

Trade Agreement. It was announced in Berlin that a trade agreement

GERMANY (continued)

had been concluded between the east German Government and Czechoslovakia, providing for an increase of over 50 per cent over the value of the previous year's trade.

Berlin. Over 10,000 persons attended a Social Democratic demonstration in Berlin addressed by Dr Schumacher.

Herr Eisler, chief of the east German Government information office, spoke to a press conference in Berlin about the economic progress in eastern Germany and the deterioration in the western Zones. He said that if Berlin were united under Communist direction unemployment in the western Sectors would be ended in six weeks and that in a unified Germany unemployment in the west could be done away with in as many months.

11 Jan.—*Western Germany.* Dr Schäffer, Finance Minister, introducing a Bill for the reform of income-tax told Parliament that Germany was the most heavily taxed country in the world, and that the rates were detrimental to economic recovery. Reductions ranging up to 27 per cent in the case of the middle income groups were proposed with the object of encouraging saving and the building up of capital resources for productive industry. He also said that the gap between imports and exports was \$839,300,000 a year.

War Crimes. A letter from Mr McCloy, the U.S. High Commissioner, to the Papal Nuncio, Bishop Muench, depreciated suggestions that there should be a general amnesty for war criminals and expressed regret at the 'persistent tendency' to question the legal basis for the prosecutions. No honest German could doubt the enormity of the crimes for which the prisoners had been convicted and world opinion would not admit that these crimes had yet been atoned for or that the German people should now be allowed to forget them.

Saar. President Heuss, speaking in Koblenz, said that the Saar problem could only be finally settled in the peace treaty, and declared that the territory was historically and ethnically German.

War Crimes. Erich Koch, the former Nazi Gauleiter of East Prussia was handed over by the British to the Polish authorities.

12 Jan.—*Eastern Germany.* It was announced in Berlin that the two-year economic plan was to be completed by 20 July, five months ahead of schedule.

Forced Labour Camps. Cardinal von Preysing, the Catholic Bishop of Berlin, said that there could be no peace and unity in Germany so long as the disgrace of the camps existed.

Dismantling. The Bonn Government presented to the High Commission two new proposals for the conversion of industrial plants, part of which had been scheduled for dismantling. They concerned the Fischer-Tropf and Watenstedt-Salzgitter plants. Herr Storch, Minister of Labour, said in connection with the proposals that unemployment in western Germany was now over one and a half million. He also said that as a result of a lack of factory operatives in the Soviet Zone 5,000 Russians with their families had been installed at the Leuna Chemical Works.

13 Jan.—*France.* M. Schuman, the French Foreign Minister, arrived in Mainz. He later went on to Bonn.

Saar. A spokesman of the Federal Government said that the Governments of Germany, Britain, and the U.S.A. had not retreated from the position that the Saar question could not be settled before the conclusion of a peace treaty.

Berlin. The western Commandants wrote to Gen. Kotikov, the Soviet Commandant, reaffirming that he had failed to carry out the 'solemn undertaking' of the Soviet authorities, on which the railway strike was settled the previous summer. If the Soviet authorities gave tangible evidence that they would carry out the agreement, the western Commandants were ready for four-Power discussions of the western complaints.

15 Jan.—*Saar.* M. Schuman met Dr Adenauer. Speaking later to a press conference he said that the French Government would continue to carry out the policy defined in the Saar statute which was based on the Saar Constitution. The forthcoming discussions between France and the Saar were purely technical; any changes they might bring about would, like the statute, have to be confirmed by the peace treaty. He repudiated any idea of territorial annexation and said that territorial changes would have to await the peace treaty. He also rejected the idea of holding a plebiscite.

16 Jan.—*France.* M. Schuman visited Berlin when he had talks with various German politicians including Professor Reuter, Lord Mayor, and Dr Suhr, chairman of the City Assembly. In a public speech he laid stress on the desire for a Franco-German *rapprochement*.

Saar. Dr Adenauer told a press conference that though a settlement between France, Germany, and the Saar was quite possible within the framework of European Union, the time for it was not yet ripe, for there must first be a fuller Franco-German understanding. After pointing out that Germany's 1919 frontiers had been recognized by the western Allies, including France, and that they could only be changed by a peace treaty, he said the Saar mines were the legal property of the Federal Government since the German Government had paid France for their return in 1935, and under the basic law of the Federal Constitution the Federal Government assumed ownership of all German Government property. He favoured the extension of the Ruhr statute to the Saar, and also perhaps to parts of Lorraine. The Saar problem would in general be considered 'in the light of European interests'. He also said he felt that the Saar Government could not alone assume responsibility for the entry of the Saar into the Council of Europe. Both Parliament and people should be consulted.

Forced Labour Camps. A letter from Gen. Chuikov, Chief of the Soviet Control Commission, to Herr Ulbricht, deputy Prime Minister in the east German Government, which was published, announced the closing of the Soviet-controlled camps at Buchenwald, Sachsenhausen, and Bautzen. 15,038 of the inmates would be liberated, 3,432 handed over to the east German Ministry of the Interior for trial, and a further 10,513 handed over to the Ministry to serve sentences passed by

GERMANY (*continued*)

military courts. The Soviet authorities would retain 649 'major war criminals' in their own custody. The camp buildings at Bautzen would be placed at the disposal of the Ministry of the Interior; those at Buchenwald and Sachsenhausen would be handed over to the Soviet occupation troops. In his reply to Gen. Chuikov, Herr Ulbricht said that the liberated prisoners—former Nazis interned under a Control Council directive—would be helped by the Ministry of the Interior to find a livelihood.

17 Jan.—*Saar*. The Bonn Cabinet approved a report by Dr Adenauer on his talk with M. Schuman, in which opposition was expressed to a direct agreement between France and the Saar and to any *faits accomplis* before the signing of a peace treaty.

U.S. and British statements on the Saar (*see United States and Great Britain*).

Britain. Gen. Robertson, the British High Commissioner, spoke in Hamburg about the importance of Anglo-German friendship, giving as one reason the fact that both nations were faced by a common peril—'the threat to our security, our freedom, and our common civilization'. A pre-condition for such a friendship was a Franco-German understanding. It also required a substantial contribution from both sides; thus far the German attitude seemed to consist of asking for rather than making concessions.

Berlin. A detachment of west Berlin police occupied the building of the railway headquarters in the U.S. Sector, with the permission of the U.S. authorities. Seven railway policemen from the eastern Sector, who were in the building were escorted to the Sector boundary. Col. Babcock, deputy director of the U.S. High Commission in Berlin said that the western *Magistrat* had been authorized to take over the rooms which were standing empty. The rooms still used by the Reichsbahn, including the telephone exchange, had not been touched.

The U.S. High Commission published a report by the west Berlin health authorities accusing the U.S.S.R. of secretly retaining a slave labour pool of 400,000 German prisoners of war.

Forced Labour Camps. The east German Government announced that the Bautzen camp would continue to be used as a prison. There would, however, be no more internment camps.

18 Jan.—*Saar*. Statements by Mr Acheson and by the French Foreign Ministry (*see United States and France*).

Herr Dertinger, the east German Foreign Minister, protested in Parliament against French policy in the Saar, and accused west German politicians of making secret treasonable agreements with M. Schuman and the French occupation officials. The Government recognized France's historic need for security but Germany 'will not recognize any agreement about the Saarland to which the German people, including the people of the Saarland, have not consented'.

Berlin. The Allied High Commission held a meeting in Berlin attended by the three western Commandants. A statement issued later noted the encouraging economic progress of the city. It also said that the

High Commissioners had accepted a Turkish request for the accreditation of a diplomatic mission to the High Commission.

Gen. Chuikov, his political adviser, Mr Semenov, and other senior Soviet officials informed the High Commission that they would not be able to attend its official reception as they were 'all extremely busy with railway matters'. The railway directorate reduced railway services in Berlin owing to 'police sabotage' of communications equipment in the headquarters building.

GREAT BRITAIN. 5 Jan.—*China*. Mr McNeil, Minister of State informed Dr Cheng Tien-hsi, the Chinese Ambassador, that the Government had decided to recognize the Communist Government and were therefore withdrawing recognition from the Nationalists.

6 Jan.—*China*. Recognition of Communist Government (*see China*). It was learned that the British Consul at Tamsui, Formosa would be left there to maintain contact with the local Chinese authority. He would not enjoy any special status.

Balkans Peace Treaties. Notes were sent to the Governments of Bulgaria, Hungary, and Rumania in connection with the dispute about the violation of human rights, informing them that a British representative had been appointed to the commissions prescribed by the treaties for the settlement of disputes, and asking them to appoint their own representatives immediately and to enter into consultation with the British Government *re* the appointment of the third member of each commission. Similar Notes were sent by the U.S.A. to the three Governments and by Canada (who had no treaty with Bulgaria) to the Hungarian and Rumanian Governments.

8 Jan.—*Burma*. The Government announced the withdrawal of the financial guarantees given to the Burmah Oil Company for rehabilitation work in the spring of 1949.

9 Jan.—Opening of Colombo conference (*see Commonwealth Conference*).

Economic Review. Sir Stafford Cripps, Chancellor of the Exchequer, reviewing economic developments in 1949 to a press conference said that no other country in similar circumstances could show a better, or as good a record. He quoted figures to show a rise of about 5 per cent in a man's yearly output and said that of the 25 per cent increase expected in five years from 1947, 20 per cent had been achieved already in two years. Output for the year should approach 30 per cent above the pre-war figure. In the first three-quarters of the year spending was 3 per cent greater than in 1948, partly as a result of price increases. On the whole the price level had been held; food prices had gone up but clothing prices had gone down. Import prices had however risen heavily. Wages too had remained under restraint, the wage rate index being only one point higher in November than in January 1949. The increase in production had enabled the country to raise its volume of exports to a level half as high again as in 1938, with an increase of about 10 per cent over 1948. Sterling-dollar trade remained the most difficult problem. The proportion of U.K. imports from the dollar

GREAT BRITAIN (*continued*)

area had fallen from 34 per cent in 1947 to 22 per cent both in 1948 and in the first eleven months of 1949. Exports to North America for October-November were at the annual rate of £161 m. compared with £120 m. in the third quarter and £143 m. in the first. In terms of U.S. dollar value this was 7 per cent down on the third quarter and 22 per cent down on the first quarter. The provisional figure for total exports in 1949 was £1,785 m. (13 per cent by value above 1948), and for re-exports £59 m. The provisional import total for the year was £2,273 m. compared with £2,078 m. in 1948. This gave an excess of imports over exports of £429 m. in 1949, compared with £432 m. in 1948. It was essential to diminish the volume of unrequited exports.

9 Jan.—Chinese Communist Note on recognition (*see China*).

12 Jan.—*E.R.P.* The memo submitted to the O.E.E.C. on 21 December, setting out the country's economic prospects for 1950-2, was published as a White Paper (Cmd. 7862). It showed that, given certain conditions, the dollar deficit could be removed by the end of June 1952, that dollar imports could be reduced from \$1,576 m. in 1948-9 to \$1,040 m. in 1951-2, and dollar exports raised from \$746 m. to \$830 m. in the same period. The conditions essential for the fulfilment of this programme were certain assumptions prescribed by the O.E.E.C.—namely that Britain should receive \$720 m. of E.R.P. aid in 1950-1 and \$480 m. in 1951-2; that U.S. industrial production continued at the current level and dollar area prices remained at about the level of 20 October 1949; and that there was no general inflation in the non-dollar world and the volume of production and trade continued to expand. A further condition was that the U.S. market was favourable to increased supplies of sterling area goods.

Poland. The Treasury announced that the Anglo-Polish financial negotiations, begun in February 1949 and concerning compensation for British property nationalized in Poland and Polish pre-war indebtedness had been broken off owing to the failure to reach agreement.

Wages and Prices. A conference of executive T.U. committees affiliated to the T.U.C. decided by 4,263,000 votes to 3,606,000 to support the General Council's proposals for wage stabilization.

Parliamentary delegation in Burma (*see Burma*).

14 Jan.—M. Spaak on Britain and Europe (*see United States*).

15 Jan.—*China.* A Foreign Office spokesman said that the Government had agreed to look after U.S. interests in China after the withdrawal of U.S. officials.

16 Jan.—Mr Bevin on British help to Asia (*see Commonwealth Conference*).

E.R.P. The discussions begun in Stockholm in December on the possibility of closer economic co-operation between Britain, Norway, Sweden, and Denmark were resumed in London.

I.L.O. The report of the British delegates to the 1949 I.L.O. conference was published as a White Paper (Cmd. 7852).

17 Jan.—*Saar.* A Foreign Office spokesman pointed out that the Saar was not included in the west German Constitution. The proposed nego-

tations between the French and Saar Governments were therefore outside the competence of the German Federal Government.

Corfu Channel. It was learned that a Note had been sent to Albania asking how she proposed paying the damages awarded against her by the International Court.

Admiral Mountbatten in Alexandria (*see Egypt*).

18 Jan.—The Labour Party issued an election manifesto based on the policy adopted by the 1949 annual party conference.

British Honduras. The Colonial Office announced the immediate release of £250,000 from colonial development and welfare funds for road-building in the British Honduras. It also announced the Government's decision, already communicated to the colony before the devaluation of currency there, to set aside a gift of £62,500 from U.K. funds to help overcome the temporary dislocation rendered inevitable by devaluation.

GREECE. 5 Jan.—*Government Changes.* Following dissensions among the political parties Mr Diomedes, Prime Minister, handed in the resignation of his Government. Field-Marshal Papagos, Commander-in-Chief, also resigned in protest against an alleged affront in a speech by Mr Tsaldaris.

6 Jan.—*Government Changes.* Mr John Theotokis, who recently resigned from office as president of the Chamber and from membership of the Populist Party, formed a caretaker Government. He himself assumed the portfolio for National Defence as well as the Premiership. The remaining members of the Government were non-political public servants except for Mr Stephanopoulos (Populist) who remained as Minister of Co-ordination to preserve continuity in the administration of the Marshall aid programme. The Foreign Minister was Mr Pipinelis, formerly permanent Under-Secretary at the Foreign Office.

Field-Marshal Papagos withdrew his resignation.

7 Jan.—Mr Theotokis said that since the Communists were still engaged in active rebellion against the State they had put themselves outside the law and could not take part in the elections. He also said that though observers from foreign Governments would not be officially invited they would be welcome as members of the foreign press to witness the elections.

13 Jan.—*Civil Liberties.* A decree was enacted rescinding the Emergency Measures Act (Decree No. 3) voted in June 1946. This decree did not entail the immediate release of those deported or imprisoned under the Act. Otherwise normal conditions now prevailed throughout the country, except in certain frontier areas where Martial Law was still in force.

HUNGARY. 6 Jan.—Notes from Britain, Canada, and the U.S.A. re violation of peace treaty (*see Great Britain*).

7 Jan.—U.S.A. A Note was delivered to the U.S. Minister in reply to the two U.S. Notes. It said that by closing down the Hungarian consulates the U.S. Government had violated the 1926 trade and

HUNGARY (*continued*)

consular agreement, and declared that no form of pressure would affect Hungary's resolve not to tolerate outside interference in her internal affairs. The Note also accused the U.S.A. of trying to secure exemption from the law for Mr Vogeler 'whose guilt could not be denied'.

8 Jan.—A decree was published virtually freezing all industrial employment to prevent the migration of workers from one industry to another.

17 Jan.—*Kulaks*. The Ministry of the Interior announced that a 'secret organization of Kulaks' had killed a Communist official near Szeged, on the Yugoslav frontier. Eleven members of the organization had been arrested and had confessed. The leader, a Yugoslav agent, was still at large.

INDIA. 6 Jan.—Pandit Nehru, Prime Minister, told a press conference that the Government had recently approached the Pakistani Government on the desirability of a joint declaration renouncing all possibility of war between the two countries. So far no reply had been received. He also said that he thought mediation would be more appropriate than arbitration for the Kashmir dispute. Questioned about Indo-China he said that the Government would not recognize Bao Dai's or any other Government until there was an administration with authority over the whole territory.

7 Jan.—Nineteen Calcutta policemen were injured in a Communist demonstration.

9 Jan.—Opening of Colombo Conference (*see Commonwealth Conference*).

15 Jan.—*Commonwealth Conference*. Pandit Nehru stated in Nagpur on his return from Colombo that the conference had not discussed a joint defence plan against Communist aggression and that there was no question of any 'Marshall plan for Asia'. One of the major aspects of the situation was the industrial backwardness of south-east Asia and it was considered necessary to help in its development economically and industrially.

17 Jan.—Mr Ali Khan on Indo-Pakistani disputes (*see Pakistan*).

18 Jan.—*Australia*. Mr Spender, Australian Minister for External Affairs, speaking in Delhi, said that the Commonwealth's plan for economic development in south-east Asia could only succeed with U.S. assistance. He also said that his Government planned to outlaw the Communist Party.

INDO-CHINA. 3 Jan.—The Emperor Bao Dai told the Cabinet that he had decided to relinquish office as Prime Minister in order to devote himself exclusively to the duties of head of the State. The Government was automatically dissolved. Bao Dai was believed to have asked Nguyen Phan Long, the former Foreign Minister, to form a new Government.

A detachment of French troops was ambushed south of Dong-hoi.

6 Jan.—Pandit Nehru's statement (*see India*).

9 Jan.—Riots occurred in Saigon in connection with a students' strike. One man was killed and several injured in a clash with the police.

INDONESIA. 5 Jan.—Mr Spender, the Australian Foreign Minister, told a press conference at Jakarta, where he had stopped on his way to the Colombo conference that a stable Indonesian Government was of the greatest interest to Australia. His Government were willing to help Indonesia in a practical way by placing technicians at its disposal and delivering medical supplies.

10 Jan.—It was learned that 'Turk' Westerling, a Dutchman of partly Turkish origin, who was leading a group of several thousand Indonesians, Eurasians, and Dutch in western Java, had recently informed the Government that he considered his forces the only official army in that area. Dr Hirschfeld, the Dutch High Commissioner, had issued a statement declaring his regret for, and disapproval of, these activities. Dr Hatta, Prime Minister, told a press conference that he considered Westerling's forces a danger, and said that the Dutch authorities had informed him that the Dutch Army would take action against them. He also said that a committee had been appointed to investigate the Dar-ul-Islam.

18 Jan.—Government troops were reported to have smashed rebel operations on the south coast of Borneo after three days' fighting.

ITALY. 5 Jan.—It was learned that Signor de Gasperi, Prime Minister, had summarized his fifth Cabinet's achievements as follows:—Reduction of the national debt from 750 milliard lire in 1947 to 200 milliard in 1948-9; reorganization of the Army with new formations; increase of imports from \$1,432 m. in 1947 to \$1,498 m. in 1948 and of exports from \$672 m. in 1947 to \$1,067 m. in 1948, and still increasing in 1949; increased tourism approaching best pre-war levels; unemployment: 60,000 builders working on new housing schemes and 110,000 unemployed under re-training schemes.

P.S.L.I. Congress. The Saragat Socialists' third annual congress opened in Naples.

8 Jan.—*P.S.L.I. Congress.* The Congress ended after approving a resolution for conditional resumption of collaboration with the Government, and leaving the door open to negotiations for unity with the P.S.U., the recently-formed Unitary Socialist Party. The conditions for rejoining the Government included a long-term economic plan, the safeguarding of trade union privileges, amended election laws, and the reorganization of various Ministries.

9 Jan.—Five workers were killed and about thirty injured in a serious clash with the police in Modena, Emilia. Police suffered about eleven casualties. The clash occurred as a result of a strike in support of metal workers who had been dismissed when a lock-out was proclaimed at their factory. The secretariat of the C.G.I.L. meeting in Rome called a general protest strike in Emilia and a twenty-four hours' national strike of metal workers.

ITALY (*continued*)

Discussions on administration of Italian Somaliland (*see U.N. Trusteeship Council*).

10 Jan.—The strike in Emilia was generally observed and transport was paralysed. Ninety-three persons were reported detained as a result of the clash, of which the death roll had risen to six. Strikes and demonstrations took place in the big towns in the north.

11 Jan.—The Government resigned in order to make possible its reconstruction following the Saragat Socialists' decision to resume collaboration.

The funeral of the six men killed in the Modena riots was attended by about 100,000 people including Signor di Vittorio, Signor Togliatti, and the entire directorate of the Communist Party, and 180 senators and deputies of the Communist and Nenni-Socialist parties. Further strikes and demonstrations were organized in the central and southern provinces.

13 Jan.—The Communist Party issued a statement demanding among other things as the 'indispensable minimum for an improvement of the present situation' that Signor de Gasperi should not be given the leadership of the new Government, that Signor Scelba should be excluded from the Ministry of the Interior, and that the pledges assumed under the Atlantic Pact should be repudiated.

14 Jan.—President Einaudi asked Signor de Gasperi to form a new Government.

JAPAN. 5 Jan.—Dr Jessup, U.S. Ambassador-at-large, arrived in Tokyo for discussions with Gen. MacArthur. He told a press conference that the U.S.A. had not abandoned and would not abandon China. His country was opposed to both Communism and imperialism. British recognition of Communist China would not affect Anglo-U.S. relations since friendly collaboration between the two countries did not mean that they pursued exactly the same policy.

7 Jan.—*Pravda* attack on Communist Party (*see U.S.S.R.*).

9 Jan.—*Communism*. It was learned that the Communist Party had been violently attacked in the current issue of the Cominform journal published in Bucharest which denounced as a theory 'reeking of bourgeois ideology' the alleged view of Mr Nosaka, the Communist leader, that a peaceful transition to Socialism was possible in the presence of U.S. occupation troops. Japan could only become an independent Power if she tore herself away from imperialism. The article claimed that U.S. capitalists directly controlled 85 per cent of Japan's economy.

10 Jan.—Statement on U.S. Far Eastern defence (*see United States*).

12 Jan.—Mr Acheson's speech (*see United States*).

Communism. The Communist Party issued a statement which, after affirming its support of the Cominform, emphasized the difficulties of achieving its ultimate objectives under the conditions of the occupation and deprecated the criticism of comrades in foreign countries. Mr Nosaka, whose shortcomings had been corrected, was a valiant patriot and enjoyed the confidence of the Japanese masses.

13 Jan.—Australian Note to U.S.S.R. *re* Japanese prisoners of war (see *Australia*).

18 Jan.—Gen. Derevyanko, the Soviet delegate, again walked out of a meeting of the Allied Council in protest against the continued discussion of Japanese prisoners of war in Russia. The U.S. and Commonwealth delegates reported that neither the U.S. nor the Australian Government had received a reply from the U.S.S.R. to their inquiries about the fate of the prisoners.

MALAYA. 6 Jan.—Mr MacDonald, Commissioner-General for South-east Asia, said in a broadcast that Britain's recognition of the Chinese Communist Government did not involve any slackening in hostility in Malaya against the Communist terrorists, who were the enemies of the Malayan people.

A police sergeant was killed and three constables wounded in a bandit ambush in the Batu Gajah area of Perak.

9 Jan.—In Negri Sembilan bandits fired on a police lorry wounding nine policemen.

11 Jan.—Mr Gray, Commissioner of Police, said in Kuala Lumpur that 613 terrorists were killed in 1949 and 336 captured. This compared with 374 killed and 236 captured from June 1948, when the emergency started, to the end of that year.

A patrol of Gurkhas killed Chong Chia Nam, a commander of the Malayan People's anti-British Army, who had a price on his head of 10,000 Straits dollars.

12 Jan.—Army casualties since the start of the emergency till 31 December 1949, were announced as follows: British officers, killed seventeen, wounded fifteen, missing two; other ranks, killed, fifty-nine, wounded, eighty-four; Gurkha officers, killed, five, wounded three; other ranks, killed fifty-one, wounded seventy-four; Malayan other ranks, killed, seventeen, wounded thirty-six.

Mr Gray announced that a small underground movement in North Perak had been broken up.

16 Jan.—One British soldier was killed and one wounded in a bandit ambush at Batu Arang, Selangor.

17 Jan.—The bandits concerned in the Batu Arang ambush were pursued, two being killed and one wounded.

18 Jan.—It was announced that a bandit group known as the 'Tenth Malay Regiment', which had operated along the Pahang River, had been destroyed.

NETHERLANDS. 14 Jan.—Seizure of Dutch property in Peking (see *China*).

NEW ZEALAND. 9 Jan.—Opening of Colombo Conference (see *Commonwealth Conference*).

NORTH ATLANTIC TREATY. 6 Jan.—The North Atlantic Council meeting in Washington approved the recommendations for the inte-

NORTH ATLANTIC TREATY (*continued*)

grated defence of the North Atlantic area drawn up by the Defence Committee on 1 December.

11 Jan.—*Military Aid.* Two-day discussions on the administration of the U.S. military aid plan opened at the U.S. Embassy in London. The meeting was attended by Col. Bonesteel, executive director of the M.D.A.P., Mr Ohly, deputy director of the programme in the U.S. State Department, Gen. Lemnitzer, director of the Office of Military Assistance in the U.S. Department of Defence, and by the military representatives attached to the U.S. Embassies in all the countries which were to receive U.S. military aid.

17 Jan.—The Canadian-U.S. regional planning group held its first meeting in Washington.

NORTHERN IRELAND. 12 Jan.—*Government Changes.* It was learned that Mr Midgley, Minister of Labour, had been appointed Minister of Education in succession to Col. Hall-Thompson. The new Minister of Labour was Major Neill.

NORWAY. 6 Jan.—*China.* It was announced that the Government had accorded *de jure* recognition to the Chinese Communist Government.

16 Jan.—Anglo-Scandinavian economic talks (*see Great Britain*).

PAKISTAN. 6 Jan.—Pandit Nehru on proposed declaration renouncing war (*see India*).

9 Jan.—*Afghanistan.* Mr Liaquat Ali Khan, Prime Minister, told Parliament that Afghan propaganda about the demand for a free 'Pathanistan' was not based on realities. The people of the North-West Frontier Province and those on the east of the Durand line remained devoted to Pakistan in spite of 'persistent propaganda and intrigue'. Their territory was now an integral part of Pakistan. It was difficult to know precisely what the Afghan Government wanted. Pakistani offers to discuss matters of common interest relating to the border areas had met with no response.

Opening of Colombo Conference (*see Commonwealth Conference*).

17 Jan.—*India.* Mr Liaquat Ali Khan, replying to a question in Parliament about the outstanding issues between Pakistan and India—Jammu and Kashmir, Junagadh and the neighbouring States that had acceded to Pakistan, canal water, evacuee property, and the assets of the State Bank of Pakistan in India—said that the Indian Government had proposed that the two Governments make a joint declaration not to go to war. They had also suggested that evacuee property and Punjab irrigation be settled by private negotiation or by a third party and that for Kashmir the United Nations was the best forum. Pakistan had replied that the canal water dispute should be submitted to the International Court, that a plebiscite be held in Kashmir and that in this and all the other cases she would be prepared in the last resort to accept arbitration. If these principles were mutually agreed, a joint declaration could be made that the two countries would not go to war. India had

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counter-proposed that the disputes should be settled by negotiation, mediation or arbitration 'by a special agency set up by mutual agreement ... or by agreed reference to some international body'. Pakistan had now replied suggesting that the only way to promote peace was to resolve the major disputes by agreeing to binding formulas. A joint declaration would carry no conviction unless supported by evidence of concrete action.

PALESTINE. 9 Jan.—It was announced that the Israeli Government had decided to recognize the Chinese Communist Government.

Egyptian statement on Rhodes armistice (*see Egypt*).

PERSIA. 11 Jan.—*Government Changes.* The Cabinet resigned. The Shah asked Mohammed Sa'id, the out-going Prime Minister, to form a new one.

14 Jan.—*Government Changes.* The new Cabinet which was formed included:—Mohammed Sa'id, Prime Minister; Ali Akbar Siyasi, Foreign Affairs; Gen. Yazdanpanah, War; Asadullah Alam, Interior. Abbas Quli Gulshayan, Finance.

16 Jan.—It was learned that the Soviet Ambassador, Mr Sadchikov, had returned to Teheran after nearly a year's absence.

POLAND. 7 Jan.—It was learned that a military court at Rzeszow had sentenced three Catholic priests to terms of imprisonment ranging from seven to twelve years for co-operation with 'an underground Polish Nationalist group' following the discovery of a hidden store of arms in a neighbouring church.

8 Jan.—*Defence.* It was learned that Gen. Korczyc, Chief-of-Staff, had been appointed Vice-Minister for War, combining the two offices. Gen. Ochab, Under-Secretary for War had replaced Gen. Wongrowski, a former military attaché in London, as director of political education in the Army.

12 Jan.—*France.* It was learned that a Note had been sent to the French Government requesting the removal of a member of the French Embassy because of the recent expulsion of a member of the Polish Embassy in Paris. The Note deprecated the French decision to suspend commercial talks with Poland.

A French journalist was arrested in reprisal for the arrest of a Polish journalist in Paris. Expulsions from France (*see France*).

Breakdown of Anglo-Polish financial talks (*see Great Britain*).

13 Jan.—*France.* It was announced that the Foreign Ministry had closed the French Institute in Warsaw and all its branches throughout the country. Further arrests of French citizens were reported. Further expulsions from France (*see France*).

16 Jan.—*France.* It was learned that a Note had been sent to the French Government asking them to rescind the decree dissolving nine Polish organizations in France, and declaring that the recent arrest of a Polish correspondent in Paris was a breach of the Franco-Polish cultural convention.

POLAND (*continued*)

The Foreign Ministry notified the French Embassy that twenty-one French nationals had been expelled.

PORTUGAL. 14 *Jan.*—It was learned that a trade agreement had been signed with Finland.

15 *Jan.*—*E.R.P.* It was announced that in accordance with the O.E.E.C. agreement for the freeing of intra-European trade, the Government had decided to lift all restrictions from the import of many kinds of goods from other member States and their overseas territories, as from 9 January.

RHODESIA, SOUTHERN. 9 *Jan.*—Participation in Colombo Conference (*see Commonwealth Conference*).

RUMANIA. 5 *Jan.*—The Food Ministry announced that forty-six leading officials of the meat distribution company had been arrested on charges of 'criminal negligence' in connection with a breakdown of meat distribution throughout the country.

6 *Jan.*—Notes from Britain, Canada, and the U.S.A. *re* violation of peace treaty (*see Great Britain*).

SARAWAK. 6 *Jan.*—Two Malay youths, Rosli bin Dobi and Moshidi bin Sidek, were found guilty of murdering Mr Stewart, the Governor, and were sentenced to death.

SOUTH AFRICA. 5 *Jan.*—A meeting of the Government-nominated Coloured Advisory Council rejected the Government's *apartheid* policy by 11 votes to 4.

6 *Jan.*—The Coloured Advisory Council resigned in protest against the Government's *apartheid* policy.

9 *Jan.*—Opening of Colombo Conference (*see Commonwealth Conference*).

10 *Jan.*—A convention of coloured peoples' organizations meeting in Cape Town approved the resignation of the Coloured Advisory Council. A resolution was also passed calling on coloured workers to organize into strong trade unions.

18 *Jan.*—Dr Jansen, Minister of Native Affairs, spoke to a meeting of the Council of the South African Institute of Race Relations of the advantages to be gained by the coloured people if they were given separate representation in Parliament and opportunities for separate development. The Government were continuing their policy of buying land for native occupation in spite of the enormous prices and they were also spending millions on urban native housing. Dr Eisel, Secretary for Native Affairs, outlined a plan for the development of townships in native reserves where many careers would be open to natives. This was part of a large-scale development programme.

SWEDEN. 14 Jan.—*China*. It was announced that the Government had decided to recognize the Chinese Communist Government.

16 Jan.—*Anglo-Scandinavian economic talks (see Great Britain)*.

18 Jan.—*Scandinavian Customs*. A preliminary report issued after nearly two years' work by the joint committee, said that a customs union between the four countries was not now possible, and recommended a transition period of ten years.

SYRIA. 9 Jan.—Col. Chickekli in Cairo (*see Egypt*).

TIBET. 12 Jan.—Reported establishment of Tibetan provisional Government in Chinghai (*see China*).

TURKEY. 5 Jan.—*Trade and Payments' Agreements*. Three Turkish-Yugoslav agreements were signed in Ankara—a trade agreement providing for a general exchange of goods, a payments agreement allowing both sides \$500,000 credit, and an agreement for compensation of Turkish property nationalized in Yugoslavia.

18 Jan.—Accreditation of mission to High Commission in western Germany (*see Germany*).

UNITED NATIONS

ECONOMIC AND SOCIAL COUNCIL

16 Jan.—A report on measures for full employment was published, written in accordance with a recommendation of the Council by five independent economists.

ECONOMIC COMMISSION FOR EUROPE

5 Jan.—*Steel*. Mr Asher, the U.S. delegate, speaking to a press conference in Geneva about the steel report said that the envisaged excess of production over consumption meant that consumption would be too low not that production would be too high. Europe's steel requirements were vast and the fact that it was not able to satisfy them was a strong argument for the integration of European markets.

GENERAL ASSEMBLY

Interim Committee

16 Jan.—*China*. Dr Tsiang (China) asked for immediate discussion of the Nationalist case against the U.S.S.R. A sub-committee was appointed to prepare a working plan.

INTERNATIONAL LABOUR ORGANIZATION

16 Jan.—A regional conference opened at Nuwara Eliya, Ceylon. Mr Noel-Baker, U.K. Secretary for Commonwealth Relations, pledged his Government's help in a 'new deal' for the poverty-stricken workers of Asia.

INTERNATIONAL REFUGEE ORGANIZATION

10 Jan.—Mission expelled from Prague (*see Czechoslovakia*).

PALESTINE CONCILIATION COMMISSION

9 Jan.—The Economic Survey Group issued its final report. The four 'pilot' projects (referred to by Mr Clapp on 20 December) would cost an estimated sum of \$22 m.

Erratum. P. 22, lines 6-8 should read: Four projects had been recommended to make greater use of local water supplies in Arab Palestine, Jordan, Syria, and the Lebanon.

SECURITY COUNCIL

10 Jan.—*China.* Mr Malik (U.S.S.R.) tabled a resolution requesting the immediate expulsion of Dr Tsiang, the Chinese delegate. Dr Tsiang, who was chairman of the Council, ruled that the resolution should be circulated and brought up at a special meeting, and this view was supported by 8 votes to 2 (U.S.S.R. and Yugoslavia), with India abstaining. Mr Malik then walked out declaring that no Russian would attend the Council until the Chinese Nationalists were expelled.

12 Jan.—*China.* Dr Tsiang agreed to relinquish the chairmanship during the discussion on the Soviet motion but expressed his determination to fight the case.

13 Jan.—*China.* The Soviet motion was defeated by 6 votes to 3 (U.S.S.R., Yugoslavia, India), with 2 abstentions (Britain, Norway). Mr Malik walked out of the meeting in protest declaring that the Soviet Government would not feel themselves bound by any decisions taken in his absence.

17 Jan.—*China.* A Yugoslav proposal that Dr Tsiang should stand down from the presidency for the remainder of his term was rejected by six votes to one, with three abstentions. Mr Malik was absent.

18 Jan.—Appointment of delegate by Chinese Communist Government (*see China*).

TRUSTEESHIP COUNCIL

9 Jan.—*Somaliland.* The committee appointed to draft an agreement for the administration of Italian Somaliland by Italy began work in Geneva.

10 Jan.—Signor Brusasca, Italian Under-Secretary for Foreign Affairs and chief of the Italian delegation, told a press conference that Italy had no intention of setting up military bases in Italian Somaliland.

17 Jan.—*Somaliland.* Mr Fletcher-Cooke (Britain) told the committee that his Government and the Italian Government had already started negotiations for the transfer of authority in Somaliland.

UNITED STATES. 5 Jan.—*China.* President Truman told a press conference that the U.S.A. held to her traditional policy of respect for the territorial integrity of China. This principle had been reaffirmed in the U.N. General Assembly resolution of 8 December 1949. The U.S.A. recognized China's legal right to Formosa, the principle of which had been laid down in the Cairo Declaration of December 1943, and reaffirmed in the Potsdam Declaration of July 1945. The U.S.A. had 'no predatory designs on Formosa or on any other Chinese territory. [It

has no desire to obtain special rights or privileges or to establish military bases on Formosa at this time. Nor does it have any intention of utilizing its armed forces to interfere in the present situation. The U.S. Government will not pursue a course which will lead to involvement in the civil conflict in China. Similarly the U.S. Government will not provide military aid or advice to the Chinese forces on Formosa. In the view of the United States Government, resources on Formosa are adequate to enable them to obtain items which they might consider necessary for defence of the island'. The E.C.A. programme of economic aid under the existing legislative authority would continue.

Mr Acheson repeated to a press conference that it would be premature for the U.S.A. to consider recognition of the Chinese Communist Government. The question would not be decided without the fullest consultation with Congress. He also said that Formosa must be regarded as part of China, whatever the Government in power there. The U.S.A. had given vast amounts of equipment to the Nationalist Government but it was not its function to provide the 'will to resist'. The U.S. military mission in China had completely failed in its purpose for its advice had not been taken.

Dr Jessup's statements in Tokyo (*see Japan*).

6 Jan.—Notes to Bulgaria, Hungary, and Rumania *re* violation of peace treaties (*see Great Britain*).

Economic Report. President Truman in his annual economic message to Congress showed general satisfaction with the readjustments made after the 1948 inflationary boom. Prices had fallen a little; employment and production which had declined in the first few months of 1949, had begun to rise again and a serious set-back had been avoided. But more stability was needed, and this must be achieved by making fuller use of the country's economic resources. He repeated many of the economic recommendations made in his State of the Union speech and summarized twelve legislative recommendations all of which had already been mentioned. He also emphasized that the programmes of foreign aid must continue and referred specifically to E.R.P. and the 'Fourth Point' plan for underdeveloped areas. He also reaffirmed the need for a world-wide increase of international trade.

7 Jan.—Hungarian Note *re* Mr Vogeler (*see Hungary*).

8 Jan.—China. Mme Chiang Kai-shek broadcasting from New York said that Britain, by recognizing the Communists, had 'bartered the soul of a nation for a few pieces of silver'. With or without help China would continue her struggle for liberty. This was not China's struggle alone but the initial phase of a gigantic conflict between liberty and Communism.

9 Jan.—Chinese Nationalist attack on U.S. ship, *Flying Arrow* (*see China*).

Budget Message. President Truman said in his annual Message to Congress that expenditure for the fiscal year ending 30 June 1951 was estimated at \$42,400 m. Revenue under the existing tax laws was estimated at \$37,300 m. To meet this deficit he would shortly recommend to Congress some additional revenue not reflected in this Budget.

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He was confident, for three main reasons, that the nation was moving towards a budgetary balance in the next few years. First, estimated expenditure for 1951 was reduced by nearly \$1,000 m. below that for 1950 and, assuming favourable economic and international developments, it should be possible to plan for further reductions after 1951. Second, the U.S. economy was dynamic and growing. Third, the proposed tax recommendations would improve the nation's tax structure.

Of the total estimated expenditure, \$30,000 m., or about 71 per cent, represented the cost of past wars and of national defence and international programmes—a decrease of \$1,800 m. on the previous Budget. Of this total \$13,500 m. was for national defence, \$12,000 m. for past wars, and \$4,700 m. for international programmes. The latter figure was a reduction of \$1,300 m. from that of 1950.

Strikes. About 50,000 members of the United Mineworkers' Union in eastern and southern coalfields came out on strike.

10 Jan.—*Far East.* Mr Acheson, Secretary of State, held a private meeting with the Senate Foreign Relations Committee. Senator Connally, the chairman, afterwards quoted Mr Acheson as saying that the U.S. line of defence lay east and not west of Formosa, and comprised Japan, Okinawa, and the Philippines. 'With bases on those territories the U.S.A. would have an impregnable defence.' Mr Acheson had also said that he expected Japan to increase her trade with Communist China and that the U.S.A. would not try to stop Japan from building up her commerce again.

Strikes. The strike spread, involving about 57,000 miners in seven states.

11 Jan.—*U.S.S.R.* A State Department spokesman reaffirmed that U.S. policy ruled out a direct deal with Russia to settle 'major problems of peace and war' affecting other countries, though the Government were 'ready and eager' for such discussions in any appropriate forum.

London discussions on M.D.A.P. (*see North Atlantic Treaty*).

12 Jan.—*Far East.* Mr Acheson addressing the National Press Club said that the fall of Nationalist China was due not to any lack of military strength but to the withdrawal of popular support. The Communists had not created this situation but they had been shrewd enough to make use of it. Communism was a subtle instrument of Soviet foreign policy, and the U.S.S.R. was now engaged in detaching Manchuria, Outer Mongolia, Mongolia, and Sinkiang from China and attaching them to the U.S.S.R. This was an awful responsibility for which Moscow would one day have to answer. The U.S.A. was naturally opposed to the spread of Communism, but not as a negative reaction—there must be something positive to put in its place. It would be the greatest folly to undertake any 'ill-conceived adventures' with the sole aim of stopping Communism and thus to 'deflect to ourselves the righteous wrath of the Chinese people'. He did not consider there was an immediate military menace, but said that the U.S.A. would not abandon or weaken the defence of Japan, and would continue to hold the Ryuku Islands for which they would apply to the U.N. for a trustee-

ship. The defence agreements with the Philippines would be carried out, and the U.S.A. would tolerate no aggression there. Referring to Japan he said that the political situation was encouraging—in spite of some backsliding—but that the economic position was not so good.

E.R.P. President Truman sent the sixth quarterly report of the E.C.A. to Congress, covering the three months ended 30 September 1949. It said that although output in the E.R.P. countries was 11 per cent higher than in the corresponding period of 1948 it was apparent that the rate of increase had slackened appreciably.

13 Jan.—*China.* Mr Rusk, deputy Under-Secretary of State, addressing a regional conference of the World Affairs Council at Philadelphia, said that the Chinese Communist revolution was not 'Russian in essence' and did not aim at dictatorship, though it was 'subject to perversion'. 'Americans would not want to freeze conditions in the Far East. What we are seeking is a direction for the revolution.'

14 Jan.—*China.* Seizure of U.S. consular property in Peking (*see China*). The State Department issued a statement on the incident and events leading up to it, pointing out that the seizure violated long-standing treaty rights granted to the U.S.A. in 1901, and reaffirmed in the Sino-U.S. treaty of 1943. The withdrawal of all U.S. officials from Communist China was ordered. Senator Connally said that no nation was entitled to diplomatic recognition that did not respect international law and the representatives of other Governments. The Chinese Communists would have to make amends for their action before recognition could be considered by the U.S.A.

Nationalist gold flown to U.S.A. (*see China*).

Belgium. M. Spaak, the former Belgian Prime Minister, speaking at the University of Pennsylvania said that a policy of balance of power in Europe was no longer possible and that Britain should declare herself a positive and active element in Europe. If Europe had to do without Britain there would be no effective counter-balance to the inevitable influence of Germany.

15 Jan.—*China.* Protest to Peking Government and also Dr Jessup in Formosa (*see China*).

British agreement to protect U.S. interests in China (*see Great Britain*).

16 Jan.—Meeting between Dr Jessup and Gen. Chiang (*see China*).

17 Jan.—*Saar.* A State Department spokesman denied that the Government had any secret understanding with France and Britain on the future of the Saar. He rejected Dr Adenauer's contention that the Saar should be considered part of the west German Republic.

Strikes. Further walk-outs raised the number of striking miners to about 81,000.

Negroes. The Army gave instructions that Negro soldiers should be given the same chances for promotion as white men.

18 Jan.—*Saar.* Mr Acheson told the press that the Government supported, and would continue to support, the French viewpoint that the Saar should be detached from Germany. It should be integrated economically and financially with France, and should have a certain

UNITED STATES (*continued*)

degree of political autonomy—the amount of autonomy to be determined by the peace treaty. He hoped that the French would not take any immediate action which would make the general position in Europe more difficult, and gave a warning to the Germans that they must not take up a position suggesting that they had no responsibility for the war or that no consequences flowed from the war.

China. Mr Acheson said that the U.S.A. could not consider recognition of Communist China so long as its consular representatives there continued to be maltreated. He claimed that neither the Communists nor the Nationalists represented the will of the Chinese people and said he hoped a 'third force' would arise to replace both factions.

Dr Jessup's statements in Hong Kong (*see China*).

It was learned that the Government had started proceedings for the recovery of forty-two merchant ships which it had sold to the Chinese Nationalist Government in 1947 and 1948 and which had not yet been fully paid for. This action was in order to prevent the ships falling into the hands of the Chinese Communists.

U.S.S.R. 7 *Jan.*—*Japan.* An article in *Pravda* criticized the 'erroneous theories' of Mr Nosaka, leader of the Japanese Communist Party.

11 *Jan.*—U.S. statement denying possibility of bilateral discussions on international problems (*see United States*).

12 *Jan.*—*Capital Punishment.* The Presidium of the Supreme Soviet issued a decree restoring capital punishment (which was abolished in May 1947) for the offences of treason, espionage, and sabotage.

13 *Jan.*—Australian Note *re* Japanese prisoners of war (*see Australia*).

18 *Jan.*—*Austrian Treaty.* The British, French, and U.S. Ambassadors made a joint *démarche* at the Foreign Ministry on the subject of the Austrian peace treaty. They were received by Mr Gromyko, deputy Foreign Minister.

YUGOSLAVIA. 5 *Jan.*—Trade, payments', and compensation agreements with Turkey (*see Turkey*).

6 *Jan.*—Czechoslovak protest (*see Czechoslovakia*).

10 *Jan.*—Details of A.R.P. training measures were announced.

12 *Jan.*—*Espionage.* A court at Skoplje sentenced one man to death and nine others (including five Albanians) to prison terms ranging from twenty to five years on charges of spying and subversion on behalf of the Cominform.

14 *Jan.*—*Espionage.* The death sentence passed on one defendant was commuted to twenty years' imprisonment.

ERRATUM. P. 13, line 34. Mr Hjelm, a Swedish business man . . . This entry should have been recorded under Czechoslovakia.

FORTHCOMING EVENTS

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- Feb. 4 Meeting of the O.E.E.C. Council, Paris.
" 6 Preliminary discussions between India, Pakistan, and South Africa on Indians in South Africa, Capetown.
" 7 U.N. Economic and Social Council, tenth session, Lake Success.
" 15 Second stage of Finnish Presidential Election.
" 23 General Election, Great Britain.
Mar. — General Election, Burma.
" — General Election in South-West Africa for seats in South African Parliament.
" — General Election, Yugoslavia.
" 1 Regional meeting of U.S. Ambassadors in Latin America, Rio de Janeiro.
" 5 General Election, Greece.
" 12 General Election, U.S.S.R.